KNOW ABOUT BUSINESS

Entrepreneurship Education

in Schools and Technical Vocational Training Institutions and Higher Education

MODULE 1
What Is Enterprising?

Authors:

George Manu
Robert Nelson
John Thiongo
Klaus Haftendorn

Editors:

Peter Tomlinson and Klaus Haftendorn

International Labour Office, Geneva
International Training Centre of the ILO, Turin

Copyright © International Training Centre of the ILO 2008

This publication enjoys copyright under Protocol 2 of the Universal Copyright Convention. Applications for authorization to reproduce, translate or adapt part or all of its contents should be addressed to the International Training Centre of the ILO. The Centre welcomes such applications. Nevertheless, short excerpts may be reproduced without authorization, on condition that the source is indicated.

Know About Business

ISBN 92-9049-396-8

First published 1996
Second edition 2000
Third edition 2002
Fourth edition 2004
Revised edition 2005
Revised edition 2007
Revised edition 2008

The designations employed in the publications of the International Training Centre of the ILO, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the Centre concerning i.a. the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers. The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the Centre of the opinions expressed in them.

Publications of the Centre, as well as a catalogue or list of new publications, can be obtained from the following address:

Publications
International Training Centre of the ILO
Viale Maestri del Lavoro 10
10127 Turin, Italy
Tel: +39 11 693-6693
Fax: +39 11 693-6352
E-mail: publications@itcilo.org
http://www.itcilo.org

Foreword

At the end of the 1980s and beginning of the 1990s the ILO was strongly involved in SME development and vocational education through a number of projects implemented together with government institutions and private sector institutions. Training of entrepreneurs in management skills was part of those projects. Entrepreneurship education was seen as an important element to develop entrepreneurial attitudes for future entrepreneurs. However, no specific training programmes were available.

To close this gap, funds were provided from ILO Geneva (SED unit in ENT/MAN) and from the International Training Centre of the ILO in Turin (SME unit) in 1996 to develop a training package for TVET institutions that includes entrepreneurial education and business skills. A workshop was organized in Turin with the participation of Mr. G. Manu from ITCILO, Mr. J. Thiongo, a Kenyan consultant and Prof. R. Nelson from the University of Illinois, USA to develop the **K**now **A**bout **B**usiness training materials for trainers and instructors of TVET institutions. The material was field tested in Kenya and then finalized and printed.

Entrepreneurship education stimulates young people to think about entrepreneurship and the role of the business community in economic and social development. Students also get an opportunity to analyse the changes taking place in their countries and are encouraged to consider self-employment and enterprise creation as a career choice.

The importance of education and training for an entrepreneurial society has been underlined on several occasions through United Nations Declarations, recommendations by the European Union and national Governments. ILO's Recommendation No. 189, adopted in 1998, refers to entrepreneurship education as a way of promoting a positive enterprise culture.

The Millennium Development Goals adopted in 2000 address the problem of high youth unemployment and the challenge to create employment for Youth, in particular in developing countries with a high percentage (up to 50%) of young citizens under 25. The Youth Employment Network (YEN) composed of the UN Secretariat, the World Bank, and the ILO was initiated by the UN Secretary General to actively promote Youth Employment. ILO's Decent Work Agenda include creation of Youth entrepreneurship as one way to create decent employment.

Between 2001 and 2004 a number of countries adopted KAB in their National Education Programmes. The experience of using KAB and an increasing demand for the introduction and adaptation of KAB in other

countries led to the decision to review and update KAB so that it corresponds better to the needs of education programmes in a fast-changing and globalizing world.

A one week workshop in ILO's International Training Centre (ITCILO) was organized by the Enterprise Development Programme Manager Mr. Peter Tomlinson and Mr. Klaus Haftendorn, Global KAB Programme Coordinator, with the authors and KAB practitioners in May 2004. The outcome of this review workshop was the 2005 KAB edition with additional topics for Modules 6 and 7, and a new Module 9, How to Elaborate One's Own Business Plan, written by Klaus Haftendorn to enable students and learners to test a business idea in a real life situation. The focus of KAB was thus extended from vocational training to general secondary education and higher education. At same time, the Global KAB Programme Coordinator developed a comprehensive KAB promotion and implementation strategy combining resources from ILO SEED, ILO's field structure and ITCILO.

Since then, and till 2007, ten countries have, after pilot testing, introduced KAB in their national curriculum, ten countries are running the one-year KAB school test, and twelve countries are preparing the pilot phase. The KAB materials have been translated into 15 languages. Based on this extensive experience, KAB facilitators, teachers and students from national KAB programmes gave positive feedback and proposed new topics to be included in the training materials. To respond to this feedback, the Global KAB Programme Coordinator and Professor Robert Nelson have further reviewed the KAB materials and developed the 2007 edition with additional topics and a revised course structure.

This new edition constitutes the generic international version of Know About Business for all further national adaptations.

Many thanks are given to all those who participated in the revision work of KAB and contributed to the new generic version.

Klaus Haftendorn and Peter Tomlinson
Editors of KAB

MODULE 1

What Is Enterprising?

Module objectives:

- ➔ **To enable learners to recognize that everybody can be enterprising in one way or another.**
- ➔ **To enable learners to appreciate that everybody's lifestyle is affected by their enterprising behavior.**

Module coverage:

Page

1 Enterprises in Your Community 6

2. Meaning and Scope of Enterprising 16

3. Self-Management Skills 27

4. Decision-Making Skills 33

I TOPIC 1: **Enterprises in your Community**

II SUGGESTED TIME:

- 3 hours/sessions

III OBJECTIVE:

- To enable learners to understand that enterprises in their community provide goods and services that they consume and jobs that provide wages and salaries to people living in the community.
- To make learners understand the various types of enterprises that exist in their community.

IV RATIONALE:

- By understanding the various categories into which enterprises can be classified, learners will appreciate that enterprises exist to accommodate the various interests and needs in their community.

V ACTIVITIES:

1. Have learners read HANDOUT 1 and have a class discussion to identify the various forms of business enterprises.

2. Show TRANSPARENCY 1 and discuss the various enterprises in the local business community.

3. Using WORKSHEET 1, have learners conduct a survey of business located in their community. Divide the class into groups of 3 to 5 learners. Divide the community into geographical sections so that each group will have a specific area of the business to survey and there will be no overlap. Have each group identify 15 businesses in their specific area of the business community. The groups should interview 2 or 3 business owners using the questions in WORKSHEET 2 to get an idea of what type of activities the business owners are engaged in.

4. Have the class analyze the 15 sample enterprises they have identified according to the classifications in TRANSPARENCY 2. (Each example can be placed in more than one form of classification). Discuss each form of classification using the points in the transparency.

5. Show TRANSPARENCY 3 and discuss the differences between a business enterprise and a non-business type of enterprise.

NOTE: A non-business type of enterprise might focus on activities that benefit the entire community such as digging a community water well near the town so that water would not have to be carried from remote locations.

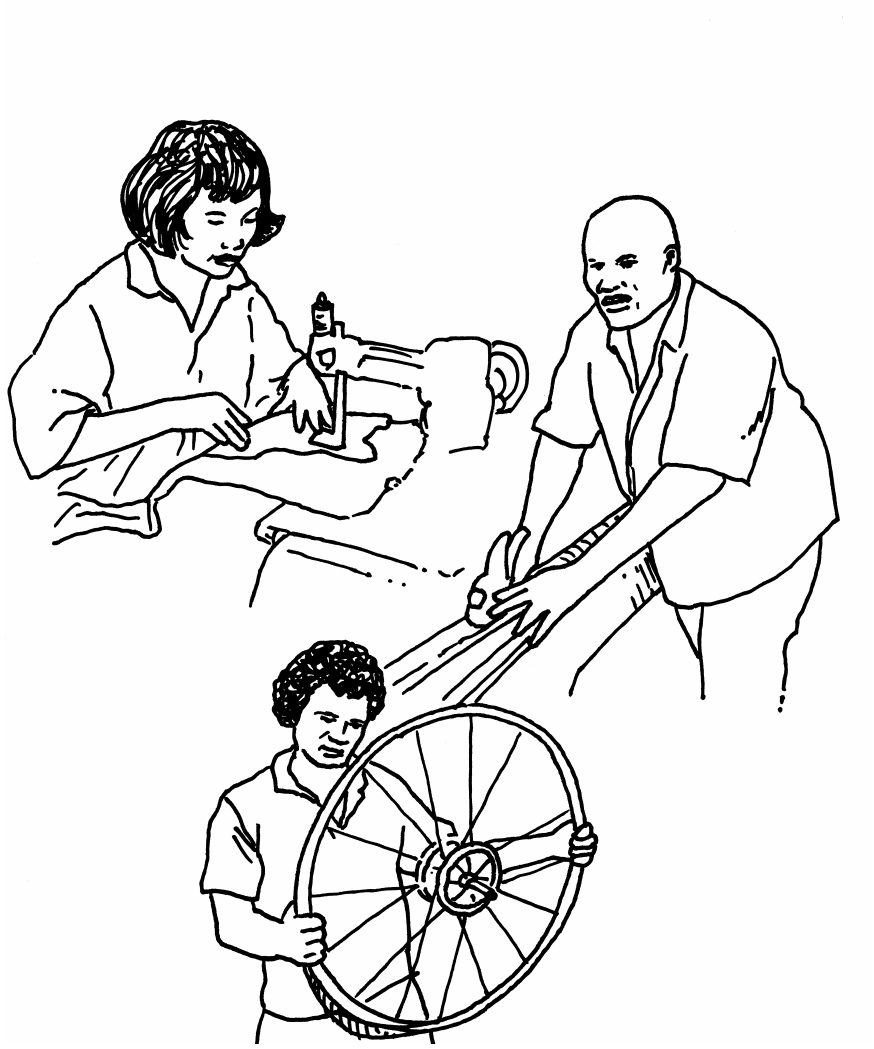
MODULE 1: Topic 1

HANDOUT 1

Different Forms of Enterprise

People in a community have many interests and different needs and wants. Enterprising men and women are able to identify these needs and wants and establish specific enterprises to satisfy them. Enterprises can provide satisfying rewards for those who successfully establish them.

Terms used to classify enterprises include private, public, formal, informal, individual, community, local, foreign, small, large, business, social, manufacturing, and service, consumer goods or industrial goods. Enterprises that succeed, irrespective of their nature, come up with valued approaches to providing solutions to problems, and satisfying the desired needs and wants. The key difference between all types of enterprise lies in the rewards they provide. Business ventures provide profits as rewards, while non-business ventures provide other types of rewards that could be either physical or psychological. Entrepreneurs engage in enterprises depending on what kind of rewards they expect from them.



Enterprises in a community have the potential to benefit from each other. Output from one enterprise normally becomes input for other enterprises, and this helps in money circulation among the enterprises within the community. The more money circulates in the community, the more prosperous the community becomes. The synergistic nature of all enterprises in a community creates an environment where there are lots of opportunities to be exploited by enterprising men and women. It is up to these men and women to identify the opportunities available and exploit them. Almost all communities have lots of unexploited opportunities that can create more advantages for everyone.

Men and women acquire different skills that lead to different careers. They are applied in trade, services, manufacturing, food processing, recreation, information and communication, and other forms of enterprises. The existence of many types of enterprise in your community offers you opportunities to apply the skills you have acquired. All types of skill learnt have a chance to be applied if opportunities are sought in all types of enterprise. It is normal for men and women to consider the compatibility of personal values, interests and expectations with the type of enterprise they desire.

The first step is to evaluate the various enterprises in your community and note their potential. The next step is to identify how your skills match the various possible enterprises. You can, therefore, do what you can, with what you have, where you are, and still succeed.

MODULE 1: Topic 1

TRANSPARENCY 1

Examples of Small Enterprises

MANUFACTURING BUSINESSES

1. Food and kindred products
2. Tobacco manufacturers
3. Textile mill products
4. Apparel and other finished products
5. Wood products (except furniture)
6. Furniture and fixtures
7. Paper and allied products
8. Printing, publishing and allied industries
9. Chemicals and allied products
10. Petroleum refining and related industries
11. Rubber and miscellaneous plastic products
12. Leather and leather products
13. Stone, clay, glass and concrete products
14. Primary metal industries
15. Fabricated metal products (except machinery and transportation equipment)
16. Machinery (except electrical)
17. Electrical and electronic machinery, equipment and supplies
18. Transportation equipment
19. Measuring, analysing and controlling instruments (photographic, medical and optical goods; watches and clocks)
20. Miscellaneous manufacturing

WHOLESALE TRADE

21. Wholesale trade (durable goods)
22. Wholesale trade (non-durable goods)

RETAIL TRADE

23. Building materials, hardware, garden supplies dealers
24. General merchandise stores
25. Food stores
26. Automotive dealers and petrol service stations
27. Apparel and accessory stores
28. Furniture, home furnishing and equipment stores
29. Eating and drinking establishments
30. Miscellaneous retail

SERVICES

31. Hotels, boarding houses, camps and other lodging places
32. Motor vehicle repairs, services and garages
33. Personal services
34. Amusements and recreation services (except motion pictures)
35. Business services
36. Miscellaneous repair services
37. Motion pictures
38. Health services
39. Legal services
40. Educational services
41. Social services
42. Miscellaneous services
43. Brokerage services
44. Cosmetics/beauty care services
45. Computer/office services
46. Information technology services
47. Security services
48. Postal (mail/courier) services
49. Repairing items
50. Mailing/delivery services
51. Events organization

MODULE 1: Topic 1

WORKSHEET 1

Local Small Businesses

List up to 15 businesses that provide goods and services in your community that you consider efficient, smart, profitable or suitable. Since there may be more than 15 small businesses, concentrate on the types of businesses that most interest you as possibilities for self-employment. Include businesses that seem appealing to you.

1. _____

_____

2. _____

_____

3. _____

_____

4. _____

_____

5. _____

_____

6. _____

_____

7. _____

_____

8. _____

_____

9. _____

_____

10. _____

_____

11. _____

_____

12. _____

_____

13. _____

_____

14. _____

_____

15. _____

_____

MODULE 1: Topic 1

WORKSHEET 2

Questions for the Entrepreneurs

1. What/who motivated you to start your business?

_____

2. What were your objectives in starting your business?

_____

3. How did you identify your business idea?

_____

4. What product or service does your business provide?

_____

5. What business experience did you have before starting your business?

_____

6. What problems did you encounter in starting and operating your business?

_____

7. How did you solve these problems?

_____

8. What were your sources of finance to start the business?

_____

9. What contributions does your business make to the well being of the community?

_____

10. Do any of your family members own a business?

_____

11. Who are your primary customers and how do you promote/market your business?

_____

12. Who is/was your mentor?

_____

13. How did your personal background influence your decision to start a business?

_____

14. Have you ever failed in business?

_____

15. How do you use your profits?

_____

16. How do you compete with other similar businesses?

_____

17. What advice would you give to people thinking of starting their own business?

_____

18. What is the best and worst part of being an entrepreneur?

_____

19. How much time do you spend each week on business activities?

_____

MODULE 1: Topic 1

TRANSPARENCY 2

Classification of Enterprises

➔ Private	vs	Public
➔ Profit	vs	Non-profit
➔ Formal	vs	Informal
➔ Individual	vs	Community
➔ Local	vs	Foreign
➔ Business	vs	Social (non- business)
➔ Small	vs	Large
➔ Manufacturing	vs	Service
➔ Consumer	vs	Industrial

MODULE 1: Topic 1

TRANSPARENCY 3

Differences between Business Enterprises and Non-Business Types of Enterprise

Business Enterprises	Non-Business Types of Enterprise
• Profits are a primary motive	• Various types of human needs are catered for
• Products/services must be demanded	• Products/services people may want
• Products/services are sold in a market	• Market situation need not be present
• Products/services must be paid in full	• Products/services may not necessarily be paid in full

I TOPIC 2: **Meaning and Scope of Enterprising**

II SUGGESTED TIME:

- 2 hours/sessions

III OBJECTIVE:

- To enable learners to identify and interpret the terms and elements involved in the concept of enterprising, both on a personal level and in the context of being enterprising in business.

IV RATIONALE:

- By understanding the personal and business meanings of the term enterprising, learners will be able to recognize that everybody can be involved in enterprising activities in one way or another.

V ACTIVITIES:

1. Have the learners define the meaning of enterprise. They may also look up the term in their dictionaries. As the definitions are being given, have each learner write down the key words that are mentioned. Have each learner write down the elements for the meaning of enterprise.

2. Show TRANSPARENCY 1, Terms and Elements of Enterprise. Have the learners compare elements in the transparency with those they identified.

3. Have learners read and discuss HANDOUT 1.

4. Have the learners complete WORKSHEET 1 and then discuss the attributes required to engage in an enterprise.

5. Show TRANSPARENCY 2 and have the learners discuss how people can be enterprising in a variety of life situations.

6. Have students read HANDOUT 2 and respond to the questions of WORKSHEET 2.

7. Have students complete WORKSHEET 3. Have students discuss their responses.

MODULE 1: Topic 2

TRANSPARENCY 1

Terms to Explain Enterprising

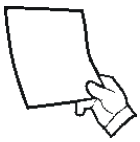
ENTERPRISING INVOLVES:

TERM	ELEMENTS
▪ Idea	- Identification - Imagination - Thought
▪ Planned	- Thought out - Written down
▪ Implemented	- Using People - Using Materials - Using Money
▪ Activity	- Can be seen - Can be touched
▪ Reward	- Satisfying outcome - Acceptable feedback

MEANING OF ENTERPRISING

▪ personal context:	An idea that is translated into a planned and implemented activity
▪ business context:	Business venture or undertaking that brings profit

➔ **Note:** Emphasis in this course is on the **business** meaning of enterprise



MODULE 1: Topic 2

HANDOUT 1

Meaning and Scope of Enterprising

On a personal level, enterprising can be any identified idea that a person can translate into a planned and satisfactorily implemented activity. In the business sense, enterprising refers to the implementation of a business venture or undertaking. Practically all undertakings can be referred to as enterprising, i.e. idea identification, planning, implementation, successful completion of an activity and receiving the rewards.

You are enterprising if you follow the above process whenever you are involved with issues in your life. By understanding the enterprising concept, you can appreciate that all people have the potential to be enterprising. Some people are enterprising when they own a business. Enterprising men and women are able to deal positively with the challenges and problems they face in their daily lives.

Being enterprising can bring benefits to you and also help you to become a valued member of your family, community, place of work and society. By adopting an enterprising approach to your activities, you will know what to do in whatever circumstances you find yourself in. This kind of approach will enable you to appreciate the challenges of life because you will be able to translate challenges into positive results.

Enterprising people exhibit the following characteristics:

E Energy.

Working hard, but in a smart way, is key to being enterprising. Lots of mental and physical energy is needed to provide solutions to issues and for the successful completion of projects. To sustain this energy, you need to stimulate your brains and all your senses – sight, hearing, touch, smell and taste – so that they all stay alert in identifying what needs to be done in variety of situations. You also need to be healthy and physically fit, and this can be achieved through diet and exercise.

N Need to achieve.

You need to have the motivation to achieve success and accomplish all the activities you engage in. Your positive attitude and perceptiveness will enable you to achieve acceptable results whenever you do something. This approach enables you to work harder than ordinary people.

T Task oriented.

To gain satisfying rewards, tasks have to be well executed and completed on time. Efficiency, effectiveness and time management are important aspects that enable you to complete tasks. Focusing on results helps you to concentrate on whatever you set out to do.

E Empathy.

You are able to mentally put yourself in the position of the people you intend to influence. You try to feel what they are feeling. You are able to put yourself in their shoes. In the case of owning a business enterprise you are able to imagine how a potential customer would feel.

R Resourcefulness.

You are able to provide the leadership and guidance needed to manage the enterprise. Identification, mobilization and effective utilization of both the physical and the non-physical resources needed in undertaking a venture are very important in managing the enterprise.

P Planning.

To see the total picture of the enterprise, it is necessary to establish a written plan. This will help clarify the situation and permit decisions regarding whether an enterprise should be initiated or not. Through planning, judgments regarding profits or losses will be made.

R Risk-taking.

The decision to go ahead and start the enterprise or undertake the activity must be made. All enterprising men and women take risks only after they have conducted research, so that they can achieve the desired results and receive the rewards. You will always have to take this first step, as it marks the difference between enterprising and non-enterprising men and women. Success begins with the decision to move in the desired direction.

I Innovation.

The ability to apply new ideas that will enable you to undertake unique activities is another hallmark of enterprising people. Through individual initiative, imagination, intuition and insight you will be able to devise new ways of doing things to accommodate whatever new situation you may find yourself in. Gathering information is an important input for being innovative. Enterprising men and women therefore place great value on information and are always alert and constantly engaging in research.

S Skills.

Enterprising men and women have the ability or know-how that enables them to undertake and complete activities. Most men and women have a certain amount of knowledge, attitudes and practical skills that can be useful when realizing an enterprise. You should therefore evaluate the talents and level of skills you have and how they can be harnessed to realize an enterprise. Talents and acquired skills have to be constantly utilized and applied, otherwise they can also be forgotten and wasted.

I Independence.

Independence means freedom from dependence on others. Enterprising people are able to make their own decisions and are self reliant. They exercise their own will without the control of others.

N Networking.

Networking is important because through this activity, enterprising people obtain information and learn from feedback they receive from others. Enterprising people seek the advice of others and through the exchange of information formulate their own ideas and beliefs.

G Goal oriented.

Enterprising people are results-oriented experts at setting their own goals. They have personal control over their own activities. Their goals are usually challenging, but attainable. These goals are a mix of long-term goals and short-term goals. These goals are specific in the sense that they can be measurable.

MODULE 1: Topic 2

WORKSHEET 1

Having an Enterprising Attitude

Write down examples of situations that reflect your personal values, interests and experiences for the statements below.

1. What was the most important event in your life between birth and age fourteen?

_____

_____

2. What was the most important event in your life from age fourteen to the present?

_____

_____

3. What has been your greatest achievement in the past five years?

_____

_____

4. What would you do if you had only one year left to live?

_____

_____

5. What is something you do very well?

_____

_____

6. What are your three most important enterprising skills?

_____

_____

7. What motto (a phrase or saying) highlights your skills as an enterprising person?

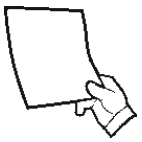
_____

MODULE 1: Topic 2

TRANSPARENCY 2

How Can People Be Enterprising in the Following Situations?

- SOCIAL GATHERING
- VISITING A NATIONAL PARK
- SUBSISTENCE FARMING
- POLITICAL CAMPAIGN
- RURAL LIVING
- HIGH UNEMPLOYMENT IN COMMUNITY
- USING THE INTERNET
- VOCATIONAL TRAINING
- HUNGER/DROUGHT
- FAMILY AND HOME
- BEING IN A FOREIGN COUNTRY
- FAMILY BUSINESS



MODULE 1: Topic 2

HANDOUT 2

Changes in Life Situations

1. Activities and situations in life are many and varied. These situations change over time. Things happen to you, to your family, within your community, and even in your government that require activities to be changed and done differently. Events in your natural environment, the legal sector, the financial sector, the labor market, and even the weather can all force you to do activities differently. Even events happening far away from your local area can affect you either directly or indirectly.

2. In any problem situation, there is always something that can be done to alleviate the problem. The distinguishing characteristic of enterprising men or women is their readiness and alertness to do something to respond to the new problem situation. Their first challenge is to study, analyze and interpret information regarding the situation. Through this process the new challenges people face can be clearly identified. The second challenge is to identify possible solutions addressing these new challenges and the implementation of which will be rewarding for the enterprising person.

3. Everybody has the potential to initiate action in any situation if they have the will, drive and motivation. Most men or women have talents and capabilities that would enable them to come up with valued responses to any challenges brought about by new situations. However, the majority of people tend to be slow in reacting or wait for other people to act first. Enterprising men and women are action oriented or task oriented, proactive and willing to assume leadership roles.

4. By taking action when confronted with unfamiliar situations, people receive either physical or psychological benefits. Enterprising men and women tend to react faster in new situations than ordinary people. They are able to recognize opportunities and take action as long as the window of opportunity continues to remain open. They do not wait for other people to act first. This is consistent with the risk-taking nature and resourcefulness of enterprising men and women.

5. Action may need to be taken when a person is in an unfamiliar situation. Implementation and accomplishment of activities is a key characteristic of enterprising men and women. They do not hesitate, procrastinate or delay implementation. They are decisive and develop clear plans which they try to implement as closely as possible.

6. To respond to and accommodate changing situations, a person needs to utilize tools (principles, skills, knowledge) which are appropriate for that situation. Through proper planning, it is possible to identify the required physical or psychological resources to accomplish the tasks. In the same planning process, the amount of resources required, as well as their sources, are also identified.

7. Innovation and endurance are other key characteristics that enable enterprising men and women to accomplish their activities. They try new ways of doing things and do not give up easily before completing what they set out to do.

8. In the future, new situations, that you may find yourself in, may bring many opportunities, some of which you could translate into profitable business enterprises. Your responsibility is to define and create success in whatever situation you may find yourself. You have to think carefully about what you want to do and how you want to approach the situation. You will have to adopt a problem solving and decision making attitude that will enable you to utilize your talents, abilities, qualities and capabilities.

MODULE 1: Topic 2

WORKSHEET 2

Life Situation Questionnaire

Identify a real life problem and respond to the following questions related to this situation

1. What is the real problem situation?

_____

2. What activities need to be done to resolve the situation?

_____

3. Who should resolve the situation?

_____

4. When should the activities be done?

_____

5. What is needed to do it?

_____

6. What resources are needed to resolve the problem situation?

_____

7. How should the activities be done?

_____

8. What is your responsibility in resolving the problem situation?

_____

MODULE 1: Topic 2

WORKSHEET 3

Improving Your Enterprising Skills

To be enterprising, you need to identify what needs to be done, take action and benefit from the action. Column 1 indicates things you might want to improve to be enterprising in your life. In column 2, indicate two ways to improve your ability. In column 3, indicate the benefits you expect to gain. Add something else you want to improve on in the space provided in space 6.

WHAT YOU WANT TO IMPROVE	TWO WAYS TO IMPROVE	EXPECTED BENEFITS
1. Obtain more business ideas		
2. Acquire more information and communication and technology skills		
3. Make interesting speeches		
4. Design and make things		
5. Want people to like you, so you can get information from them and also sell more things to them		
6. You want to _____ _____ _____ _____ _____		

I TOPIC 3: **Self-Management Skills**

II SUGGESTED TIME:

- 2 hours/sessions

III OBJECTIVES:

- To identify self-management skills and how they are important to be enterprising.
- To apply self-management principles in job situations.

IV RATIONALE

- Self-management skills affect the extent our goals can be achieved. The purpose of this topic is to show the importance of managing one's self effectively. Knowing the importance of self management is the first step in understanding one's personal strengths. The next step is to be able to use some general principles to assist in the self-management process.

V ACTIVITIES

1. Have learners complete and discuss WORKSHEET 1. Have learners give examples of how they can achieve each of the twenty self-management skills.

2. Have learners discuss specific ways they apply self-management skills. Examples might include:

    - Have a place for everything. Do not waste time looking for things.
    - Handle each piece of paper only once. This means you have to deal with it now.
    - Listen actively when in a discussion. (Also, in a job interview!)
    - Do as much of your thinking as possible on paper.
    - Do not skip items on your "To Do" list… especially the difficult ones!
    - Carry blank 5 x 8 cards to write down important things when they occur.
    - Keep your watch a few minutes fast.
    - Always plan the first thing in the morning and set your daily priorities.
    - Have confidence in your judgment of priorities and try to complete them no matter how difficult they may seem.

- If you think about what should be done rather than taking action, ask yourself “What am I avoiding?”
- Start with the most important aspect of a job. Small items may be unnecessary.

3. Distribute HANDOUT 1. Have students read the first section of the HANDOUT 1 and then discuss the procedure to prioritize tasks. Instruct students to set up a plan for the five activities that they would like to complete during the remainder of the day. At the end of the day, have students check to see whether their activity plan worked.

4. Have learners read HANDOUT 2 and discuss ways to improve their self management skills.

MODULE 1: Topic 3

WORKSHEET 1

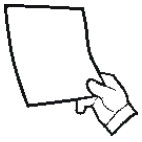
Check Your Self Management Skills

Directions: Respond to each of the following question by answering: “yes” or “no.”

Do you:	yes	no
1. Think through what has to be done before starting the day?		
2. Think through a job before starting it?		
3. Stay with jobs until they are completed?		
4. Do the more important (and possibly more unattractive) tasks first?		
5. Assign/ask someone to help you do chores rather than doing most of the work yourself?		
6. Use machines to do work that could be done by hand?		
7. Doing things you always do and are good at doing?		
8. Try to find new, better ways to do things?		
9. Start projects that you have little interest in and know you may not finish?		
10. Make sure that short, easy tasks are completed first?		
11. Anticipate potential problems crises?		
12. Handle a few different jobs at one time?		
13. Group errands together for one trip rather than making several trips?		
14. Avoid distractions (newspapers, friends, family) while working?		
15. Set aside a certain time during the day to talk with friends/neighbors?		
16. Continually ask “What is the best use of my time right now?”		
17. Set deadlines for yourself?		
18. Focus on items that will have the most long range benefits?		
19. Concentrate on one thing at a time?		
20. Avoid being involved in non-productive activities?		

NOTE: Rate yourself by counting the number of “yes” and “no” answers.

- ✓ If you have six to ten “no” answers, you need to develop more effective self-management skills.
- ✓ If you answered “no” to more than 11 questions, you have a real problem using your self-management skills effectively and you have a lot of work ahead of you to manage yourself more effectively.
- ✓ For every question that you responded “no’ to, identify ways to change your behavior so that your self-management skills will be more effective.



MODULE 1: Topic 3

HANDOUT 1

Self-Management Activity

A. Efficient self-management means that you must effectively organize and plan your day-to-day tasks. To get the most use of the available time you have each day, set priorities (what is most important) and complete those - most important - things first.

B. Tasks tend to fall into three areas: (a) tasks that must be done, (b) tasks that should be done, and (c) tasks least important or do not have to be done at all.

C. It is recommended that you make a list of all things that you want to accomplish in a day. Then set up a rating system for your list, for example: “A” for the most important tasks, “B” for the tasks that should be done, “C” for the least important tasks. You should only complete the “C’s” tasks if time allows.

D. Following a schedule controls the time needed to complete tasks. The time schedule can be adjusted due to unforeseen circumstances.

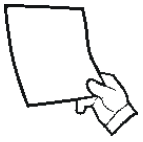
E. Choose five tasks you would like to accomplish by the end of today. Rank each task by level of importance (A,B or C) and indicate how much time is needed for each activity.

Activity	Rank (A, B or C)	Time Needed To Complete Activity
1.		
2.		
3.		
4.		
5.		

F. Set up a schedule for the day to complete these tasks.

Time	Activities To Complete
1.	
2.	
3.	
4.	
5.	

G. Did your schedule work? What would you change to have your schedule work better for you? Did you spend less or more time on a particular task? Did you omit or change any task?



MODULE 1: Topic 3

HANDOUT 2

Entrepreneurial Self-Management

1. Complete High Priority Tasks First.

Most people do the easy tasks first. What often happens, however, is that difficult tasks don't get done because too much time is spent doing the easy tasks. You may run out of time to do the difficult tasks. Most entrepreneurs do the important task first when their energy level is high. If time is available at the end of the day, the low priority tasks are completed.

2. Use of Time.

Ask yourself, "What is the most important use of my time right now?" Asking this question will help focus on "important tasks."

3. Delegate Tasks to Subordinates.

This is an essential task for entrepreneurs. Entrepreneurs must be able to delegate work to staff. Delegating tasks is a good way to build staff morale and allows the entrepreneur to focus on other essential tasks. As a general rule, if a worker can do the task almost as well as the entrepreneur, then the task should be delegated to an employee.

4. Group Tasks.

This step will minimize interruptions and economize on the utilization of resources and efforts. For example, instead of making calls sporadically throughout the day, make out-going calls at specific times each day. Frequent callers can also be informed of the best time to call you.

5. Maintain a Clean Office.

Try to clear your desk of everything except the work you intend to do immediately. Effective entrepreneurs are organized and work from clear desks.

6. Be Ready to Say "no!"

If staff can have you do their work, they will do it. Most stress comes from the entrepreneur's lack of the skill to "just say no" for fear of upsetting people. People are always asking for of an entrepreneur's time. Instead of being honest and saying "no" to the request, the tendency is to end up accepting a responsibility you neither want nor have time to perform. Saying "no" takes courage and tact.

7. Have Daily Objectives.

Those entrepreneurs who accomplish the most during the day know exactly what they want to accomplish. However, many people think that goals and objectives should

only be prepared on a monthly or yearly basis. Define objectives as clearly as possible. One factor that marks successful entrepreneurs is their ability to work out what they want to achieve and have written objectives that they can review constantly. Long- term objectives should impact on daily activities and be included on a daily “to do” list. Without objectives, entrepreneurs become ineffective.

8. Don’t Try to do too much.

Many entrepreneurs feel that they have not accomplished enough and don’t give themselves enough time to do important tasks properly.

9. Control Paper Flow.

Deal with each piece of paper just once. Being a paper shuffler wastes time. Keep important papers and throw away the rest.

10. Plan Effectively.

Some people say they don’t have time to plan. These individuals may be very busy, but they probably are not very effective. By taking time to plan, you will actually save time. Develop a daily “TO DO” list for doing the essential tasks that must be completed in the available time.

11. Be Proactive.

Don’t avoid making decisions. Reducing the amount of time you use to make a decision can substantially increase the amount of time available to you.

SUMMARY

Your ability to manage yourself effectively will help separate you from other people. Unless you can effectively manage yourself, you will not be able to manage others effectively. Entrepreneurs need to plan to achieve their goals. Your plan should be reviewed frequently and revised as your objectives are achieved. Preparing a daily “TO DO” list enables you to stay on top of priorities and helps you to remain flexible to change these priorities. A good plan helps to identify problems early and seek out solutions. Good self-management enables you to measure the progress toward achieving your objectives. If you can measure your achievement of tasks, you can be proactive to revise and add new objectives.

Self-management is not hard to achieve. However, you must be committed to practice self-management techniques in your daily routine. The more time spent in planning your activities, the more time you will have to accomplish those activities.

I TOPIC 4: **Decision-Making Skills**

II SUGGESTED TIME:

- 6 hours/sessions

III OBJECTIVE:

- To enable learners to know how to apply a rational approach to making personal and business decisions.

IV RATIONALE:

- While employees can be consulted about major decisions, final decisions are made by the owner of the business. There are suggested guidelines to follow when making decisions that can increase the probability of success. Decision-making is an art and the more you practise it, the more expert you will become.

V ACTIVITIES:

1. Have learners read HANDOUT 1 as background information on decision-making. Use TRANSPARENCY 1 to discuss the seven steps in the decision-making process. Distribute WORKSHEET 1 and read the problem to the class. Divide the learners into groups of three or four. Allow learner groups 20 minutes to discuss the problem, identifying at least 3 alternative solutions. Have the learners provide potential advantages, disadvantages and consequences for each alternative solution.

   Write the Decision-Making Chart on the board or show it as a transparency. Have each group write on the chart their best alternative solution, along with the potential advantages, disadvantages and consequences.

   Have the class discuss the alternative solutions and then vote on the best possible solution to be implemented. Once the learners have voted and the class has decided on the best solution, the following questions might be asked:

   1. Why is this solution the most logical?
   2. What additional problems might be created by implementing this solution?

   A procedure for a detailed analysis of a potential solution is outlined in WORKSHEET 2. Have learners use WORKSHEET 2 to examine their best solution to the problem presented in WORKSHEET 1.

Discuss the use of the two forms as decision-making tools. These forms make it easier to focus on personal as well as business problems and potential solutions.

The following questions may stimulate discussion:

- In what way do you think the forms make it easier to make a decision?
- Do you feel that using forms in decision-making gives you more confidence in your ability to make a good decision?

2. Have the learners read HANDOUT 2. Write the following problem on the board:

   - How could the class raise money to buy books for the school library?
   - Have the learners spend 30 minutes brainstorming on possible ways to raise funds to buy library books. At the end of the brainstorming session, identify the 3 best activities to raise money for library books.

   Discuss the positive and negative aspects of group decision-making.

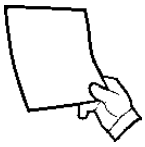
   Highlight the following aspects:

   - Positive aspects of group decision-making:
     - The total sum of the group's knowledge is greater.
     - Groups generally develop a much wider range of alternatives.
     - Participation increases the acceptability of the decision to the group.
     - Group members understand better why a decision was made.
   - Negative aspects of a group decision-making:
     - More time is needed.
     - One individual may dominate and/or control the group.
     - Pressures to conform may inhibit group members.
     - Competition can become overly intense among the group members.
     - Groups have a tendency to accept the first potentially positive alternative.
     - The decision is often a compromise that may be unsatisfactory.

3. Decision-making is an organized, step-by-step process. Yet, many people try to make their decisions by trial and error. The first step in learning how to make decisions is to discover which skills need improving. The following activity is designed to help learners get a realistic picture of their own decision-making skills, so they can improve the areas in which they are weak.

Distribute WORKSHEET 3. Review the instructions with the learners and allow them about 5 minutes to complete the worksheet.

Use TRANSPARENCY 2 to review the answers with learners. Discuss why each answer is true or false. For answers that are FALSE, ask the learners to change the statement so that it becomes true.



MODULE 1: Topic 4

HANDOUT 1

Overview of Decision-Making

To be entrepreneurial, people must be creative, especially when it comes to decision-making. Entrepreneurs must strongly believe in themselves and their ability to make good decisions. It is the decision-making ability that is the distinguishing mark of an entrepreneur. Entrepreneurs make all the major decisions that have a great impact on the future of their organizations. Intuitive decision-making ability, a most valuable entrepreneurial resource, comes from the experience of being exposed to making decisions in increasingly complex situations.

Entrepreneurs must be more creative than conventional managers in their approach to making decisions. They must approach problems from various perspectives and seek innovative ways to solve them. Given a particular situation, they must use insight to visualize the potential outcomes and consequences of alternative solutions.

Because many entrepreneurial decisions are subjective, they cannot be completely free of emotional involvement. To see past the emotional aspects of a decision, entrepreneurs should identify the advantages and disadvantages of a potential solution; this will help entrepreneurs to see the outcomes of a specific decision more objectively.

The “scientific method” of decision-making indicates that there are specific procedures to be followed to solve a problem and make a decision. The process usually involves the following steps:

(1) Identify major problems

(2) Determine the major causes of the problem

(3) Determine potential solutions to the problem

(4) Evaluate potential solutions

(5) Select the best solution

(6) Implement the solution

(7) Verify that the solution is correct

Although this rational approach is logical and sensible, this “scientific method” will not necessarily make the solution to the problem work. The entrepreneur’s leadership and power are also needed to implement a solution successfully. A certain amount of firmness and enthusiasm is required in implementing a decision. Entrepreneurs must be positive about the future outcomes of a solution. They don’t waste time in second

guessing a decision. Once they are implementing a decision, all doubts and uncertainties are left behind.

Entrepreneurs must be decisive in their actions. The organization should have definite purposes and clearly identified goals to achieve. Most entrepreneurs have little fear of decision-making because they have little fear of failing. They set their own standards for success.

Timing is extremely important in decision-making, especially when a business is growing. In some instances, decisions must be made quickly and implemented immediately. Some entrepreneurial decisions are made without the benefit or knowledge of future conditions, developments or changing conditions. Effective monitoring of the implementation of the decision will reveal any weaknesses in this decision and provide information for follow-up actions by the entrepreneur.

Critical decisions are not easy to make, but they may be required frequently. The one thing worse than making a wrong decision is when entrepreneurs avoid making any decision at all. Remember, decision-making is an art; the more it is practised, the more expert an entrepreneur will become.

Once a problem has been defined, and all relevant information and data have been collected, entrepreneurs must identify possible solutions to the problem. They might begin with a brainstorming session where a group of employees interact and develop a list of possible alternative solutions. Although highly creative problems have no “right solution”, it is up to the entrepreneur to determine the best possible solution.

WORKSHEET 1 shows one way of evaluating alternative solutions to a problem situation. The primary advantage of using the chart is that a person is able to compare various alternative solutions in relation to potential advantages, potential disadvantages and potential consequences. Listing potential advantages will indicate how each potential solution will be beneficial. The potential disadvantages will illustrate how the potential solution will not be beneficial. An advantage or disadvantage may be similar for two or more alternative solutions.

The potential consequences should be identified in the last column and will be the results of analysing the potential advantages and disadvantages and should equal the potential net result of implementing a particular solution. The use of the chart can help entrepreneurs analyse major problems which will have a great impact on their business.

MODULE 1: Topic 4

TRANSPARENCY 1

Steps of the Decision-Making Process

1. Identify the major problem
2. Determine major causes of the problem
3. Determine potential solutions
4. Evaluate the potential solutions
5. Select the best solution
6. Implement the solution
7. Verify the solution is correct

MODULE 1: Topic 4

WORKSHEET 1

Decision-Making Chart

PROBLEM: suppose you are self-employed in a small business employing 4 people, (2 are full-time and 2 are part-time). All of your employees are dependable except 1 full-time person who is often late and frequently asks for extra days off. This situation is creating a morale problem with other employees.

DIRECTIONS: fill in the chart below with 3 alternative solutions along with the advantages, disadvantages and potential consequences of each solution.

Alternative Solutions	Potential Advantages	Potential Disadvantages	Potential Outcomes of Solution

MODULE 1: Topic 4

WORKSHEET 2

Solution Evaluation Form

DIRECTIONS:

- Write a brief description of the problem at the top of the form.
- Write a brief description of the potential solution.
- In the “Factors For Solution” column, list important factors which would favour implementing the proposed solution.
- In the “Factors Against Solution” column, list important factors for not implementing the proposed solution
- Rate each factor according to its importance to you. Use numerical ratings of 1, 2, 3, 4, and 5. A low rating of 1 indicates that the factor affects the problem only slightly; a high rating of 5 indicates that the factor is extremely important in making your decision.
- Each factor in the “Factors For Solution” column and each factor in the “Factors Against Solution” column should receive a numerical rating.
- Add up the ratings in each of the two “rating” columns. The column with the higher total will give some indication of the potential of a particular solution. If there is a big difference between the two totals (in favour of “Factors For Solution”), you may feel more secure in implementing this solution. If there is little difference in the totals for both columns, it might indicate that you need more information about the problem.
- Use the Solution Evaluation Form for the top two solutions identified in the Decision-Making Chart. Comparing the results should help to make your decision easier.

PROBLEM DESCRIPTION:

_____

_____

_____

POTENTIAL SOLUTION:

_____

_____

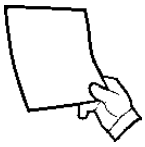
_____

_____

_____

Factors Affecting Potential Solution

Numerical Rating (1-5)	Factors For Solution	Factors Against Solution	Numerical Rating (1-5)



MODULE 1: Topic 4

HANDOUT 2

Brainstorming and Decision-Making

There is an old saying that “two heads are better than one”. This may be true in many decision-making situations. There are many advantages to involving the members of a work group in the decision-making process. With several people participating, there are naturally more resources to call upon. This usually results in generating more and better alternatives. A second advantage is the commitment to the decision by the members of the group. People more readily accept decisions they have participated in formulating than when decisions are forced on them. A person who participates in reaching a decision usually feels a commitment to make it work. The value of this approach is not limited to the final decision. A more complete understanding of what alternatives were considered and how each was evaluated can be of help in getting the group to accept change. This is especially true if those who must implement the change are also the ones who participated in making the decision.

There are some potential drawbacks to brainstorming that makes individual decisions preferable in some situations. Because group decisions almost always require more time, an individual decision is generally best when there is a critical time limitation. Another potential problem is the tendency for one person to dominate and control the group. The natural pressure to conform can also inhibit certain group members. Competition may develop within the group to such an extent that winning becomes more important than the issue itself. Groups tend to accept the first potentially positive solution and give little attention to other alternatives. In short, group decisions are generally preferable when avoiding a mistake is of greater importance than speed.

Procedure

Brainstorming is a form of group decision-making that involves presenting a problem and then allowing the group to develop ideas for solutions. To encourage the free flow of ideas, no criticism of suggested solutions is allowed initially. Only after all ideas have been presented and recorded does the group begin to evaluate the ideas. The basic approach is to encourage all participants to voice any ideas that come to mind. The ideas may seemingly be impractical, but they may lead to a creative solution. Ideally a session should last from 30 to 45 minutes. The problem to be considered should not be discussed before the session. A small room and conference table might be used to encourage free-flowing communication.

Brainstorming is most applicable to problems requiring creative ideas such as: naming a new product or service, coming up with a new use for a product or identifying new ways to reduce wasted time.

MODULE 1: Topic 4

WORKSHEET 3

Rating Your Decision-Making Skills

This is a quiz to help you rate your problem-solving skills. You will not be graded. Circle either T (true) or F (false) for each of the following statements.

T	F	1	The ability to make decisions effectively is something you are born with; you either have it or you do not.
T	F	2	Every decision has one good solution.
T	F	3	When making a decision, I use my first idea.
T	F	4	The best approach to making a decision is to put it in the form of a question.
T	F	5	One thing that can make a decision more difficult is not understanding the issue.
T	F	6	It is usually a good idea to try to make a decision as quickly as possible.
T	F	7	Decision-making mostly involves trial and error.
T	F	8	When making a decision, I try to think of all the alternatives I can before choosing one.
T	F	9	Once you choose an alternative as a solution, you are finished making your decision.
T	F	10	When I have a difficult problem to solve, I like to get ideas from other people before making a decision.
T	F	11	When I have a problem, I try to find out as much as I can about the problem before making a decision.
T	F	12	If a person stops thinking about a decision for a while, the mind keeps on working on the decision to be made.
T	F	13	When I make a decision, I am often surprised at the results of the solution I chose.
T	F	14	When making a decision, I try to figure out what the results of my action will be.

MODULE 1: Topic 4

TRANSPARENCY 2

Rating Decision-Making Skills

1. FALSE. People can develop their ability to make effective decisions through learning and practice. Think of decision-making skills as being like a muscle. The more you use it, the stronger it becomes.

2. FALSE. Some decisions have many good solutions. Some decisions have no good solutions. Unfortunately, sometimes we have to choose between several “bad” solutions.

3. FALSE. When making a decision, the best approach is to think of as many solutions as possible before choosing one. The more ideas you think of, the more likely you will think of a good solution.

4. TRUE. By putting a decision in the form of a question, you clarify the issue and the question gives you a springboard for thinking of the best possible solutions.

5. TRUE. Not understanding the real issue is often the biggest block to determining a solution. For example, suppose you have a bad cough. Your real problem may be that you have pneumonia. On a job, suppose your supervisor is constantly criticizing you. Perhaps the real problem is that you do not follow instructions. What are other examples where the problem may be hidden or unclear?

6. FALSE. Whenever you can, take as much time as possible to develop a decision. You might just make more problems for yourself by rushing into a solution before thinking through the decision carefully.

7. FALSE. The step-by-step method of making decisions helps you avoid errors whenever possible. By considering many possible solutions and figuring out the likely results of your solutions, you can prevent errors and avoid the trial and error method of decision-making.

8. TRUE. By thinking of many alternatives you may be able to combine and improve them. This approach will help you identify the best solution possible.

9. FALSE. After thinking of a solution, you must 1) put it into action and 2) evaluate the results. A solution doesn’t do any good if you don’t use it! But even this is not the last step. You must evaluate to know if your decision worked. If your decision did not work, you need to find out why and try again.

10. TRUE. Other people may have had experiences that can help you to solve your problem. Of course, you must make your own decisions. By asking the advice of others, you can make more intelligent decisions.

11. TRUE. Getting the facts is one of the first steps in making a decision. Sometimes we think we know more about an issue than we actually do know. That is, we assume things. If we are wrong in what we assume, we may make a poor decision.

12. TRUE. Have you ever heard the expression “Sleep on it”? Even while you are doing something else or when you are sleeping, your mind keeps working on the decision. Also, getting away from a decision for a while helps you come back to it with fresh ideas.

13. FALSE. One of the steps in decision making is to try to figure out the results of your solution. A good decision maker figures out all possible results of a solution ahead of time.

14. TRUE. An important way of avoiding mistakes is to think “If I do this, then this will happen.” Think of a game of checkers or chess. Each move is a small exercise in problem-solving. When deciding on a move, you have to consider what the other person will do as a result of your move. When making a decision, you may need to consider what effect your action will have on employees as well as your business.